(d) The objective of PAN based excise registration number is for more effective tax administration.

Violation of Law by OCBs

1570. SHRI NILOTPAL BASU: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware of the news-item captioned Give like Beggar and take like robber, which appeared in the Telegraph on 1st November, 2001;

(b) if so, whether it is a fact that 13 little known OCBs including the ones listed in the news report took away Rs. 3850 Crores between 1st April, 1999 and 31st March, 2001;

(c) if so, the details thereof and the agency responsible for their regualtion; and

(d) whether any investigation had taken place into possible violation of any law/irregulation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) to (d) The investments by NRI/OCBs are regulated under the provisions of FEMA (FEMA 20/2000-RB dated 3rd May, 2000 as amended from time to time) by the Reserve Bank of India.

As advised by Securities and Exchange Board of India (SEBI) approximately Rs. 3850 Crores has been repatriated by 13 OCBs during April 01,1999 and March 31, 2001, which are given in the Statement annexed. *(see below)* SEBI's investigations have indicated that the OCB route has been misutilised by certain entities.

SEBI is investigating into trading patterns of OCBs. The transactions of the OCBs are also being investigated by other agencies.

The RBI have brought out an amendment in the FEMA Regulations on 29.11.2001 banning fresh investment by OCBs under the Portfolio Investment Scheme in India.

Statement

Details of amount repatriated by 13 *OCBs during April,* 1, 1999 *and March* 31, 2001

Rs. in crores

Name of the OCB	Inflow	Outflow	Netflow
Brentfield Holdings Ltd.	109.12	663.31	(554.19)
Kensington Investment Ltd.	79.11	423.80	(344.69)
Wakefield Holding Ltd.	234.66	2228.73	(1994.07)
European Investment Ltd.	421.32	368.90	52.42
Far East Investments Ltd.	81.07	330.19	(249.12)
Almel Investment Ltd.	44.76	194.30	(149.54)
Viceroy Investments Ltd.	24.87	Nil	24.87
Green field Investment Ltd.	16.50	147.92	(131.42)
Guardian Financial Ltd.	6.45	Nil	6.45
Symphony Holdings Ltd.	Nil	9.06	(9.06)
Rafs Corporations Ltd.	Nil	33.17	(33.17)
Dossier Stock Incorporation	6.69	Nil	6.69
Delgrada Limited	Nil	476.12	(476.12)
TOTAL			(3850.97)

Operation of OCBs in market

1571. SHRI NILOTPAL BASU: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the news-item captioned "Give like Beggar and take like robber" which appeared in the Telegraph on 1st November, 2001;

(b) if so, whether it is a fact that 700 OCBs operate in the Indian Market; and